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MARTINEZ & CURTIS, P.C.

MICHAEL A. CURTIS
JAY M. MARTINEZ
WILLIAM P. SULLIVAN
SUSAN D. GOODWIN
LARRY K. UDALL
ANJA K. WENDEL
PAUL M. MICHAUD
KELLY Y. SCHWAB

RECEIVED

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212 NORTH SEVENTH STREET
PHOENIX, ARIZONA 85006-1090

TELEPHONE (602) 248-0372
TELECOPIER (602) 266-8290

AZ CORP COMMISSION
DOCUMENT CONTROL
OF COUNSEL
JOSEPH F. ABATE
THOMAS A. HINE
G. EUGENE NEIL
JEFFREY A. KATZ

1503-8

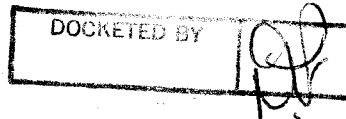
REFER TO FILE NO.

July 13, 1999

Arizona Corporation Commission
DOCKETED

JUL 13 1999

Mr. Mark Stern
Hearing Officer
1200 West Washington
Phoenix, Arizona 85007



Re: **Comments of Sun City Taxpayers Association in**
Docket Nos. W-01656A-99-0139 and SW-02276A-99-0139

98-0577

98-0577

Dear Mr. Stern:

Our office represents Sun City Taxpayers Association. The Association requests that the enclosed be made a part of the public comment portion of the record in the above-referenced matter. The hearing is scheduled for July 14, 1999 at 1:30 p.m. We would hope that the questions asked by the Association are explored fully at the time of the hearing.

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

William P. Sullivan
For the Firm

WPS/tsg

Enclosure: Statement

cc (w/ enc.): Mary Elaine Charlesworth, Sun City Taxpayers Association
Craig Marks, Associate General Counsel for Citizens Utilities Company
Paul Bullis, Chief Counsel
Patrick C. Williams, Consumer Service Supervisor
Carl J. Kunasek, Chairman
Jim Irvin, Commissioner
William A. Mundell, Commissioner

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STATEMENT ON BEHALF OF
SUN CITY TAXPAYERS ASSOCIATION

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DOCKET NOS. W-01656A-99-0139 and SW-02276A-99-0139

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AZ CORP COMMISSION

The Sun City Taxpayers Association is composed of customers of Sun City Water and Sun City Sewer. Sun City Taxpayers Association has not intervened, but exercises its right to make these statements and to bring to the Commission's attention certain facts which it hopes the Commission will thoroughly consider in relation to the current Application. The pending Application seeks to add approximately eighty (80) additional acres of land within the Certificate of Convenience and Necessity of Sun City Water and Sun City Sewer Companies. At the same time, Sun City Water Company and Sun City West Utilities have, in separate proceedings, argued that existing water service obligations of those entities will result in subsidence, poor water quality and a parade of other horrors, which mandate the use of Central Arizona Project water to prevent their occurrence. See, Docket Nos. W-01656A-98-0577 and SW-02334A-98-0577.

Before granting the request for extension, we respectfully request the Commission explore the following areas of inquiry:

1. What is the additional water demand created by this extension?
2. What will be the actual source of water?
3. What hydrological study has been undertaken by Citizens to ensure the inclusion of this additional demand will not worsen the subsidence, water quality, or other detriments the Company has predicted for the Sun City Water Company's certificated area generally?
4. Is the developer being required, as a predicate to inclusion, to pay its pro rata share of the CAP Subcontract costs held by Sun City Water Company?
5. Is the developer being required, as a predicate to inclusion, to pay its pro rata share of the infrastructure costs to bring CAP water into the Sun City Water Company's service territory?

The Sun City Taxpayers Association respectfully requests the extension be conditioned upon:

1. A showing that the additional demand will not cause or increase harm to the existing Sun City Water Company customers; and
2. Require the developer to pay its pro rata share of CAP contractual costs (both accrued and in the future) as well as its pro rata share of any CAP water related facilities constructed by Sun City Water Company.